February 4, 2008

Members of the Economic & Technology Advancement Advisory Committee (ETAAC)
c/o Mr. Steve Church
California Air Resources Board
By email to schurch@arb.ca.gov

Dear ETAAC Members:

Thank you for the excellent work you are doing to ensure that California adopts a package of policies and measures that will enable the State to fully meet its AB-32 goals.

In that vein, we are writing to underscore certain points that have been made in oral and written comments during the preparation of your report to the Air Resources Board (ARB). We want to ensure that conditions in California are developed such that renewable energy sources can contribute their full potential towards enabling the State to achieve its greenhouse gas reduction target, spur technological advancement and stimulate our green economy.

Specifically, we are requesting that the ETAAC's implicit recommendation for increasing the State's 20%-by-2010 Renewables Portfolio Standard (RPS) to 33%-by-2020 be stated explicitly in your final report, along with the need to establish the higher standard in law or regulation.

California has enough renewable resource potential to provide several times the current electricity needs of the State. California's 20% RPS law demonstrates that market pull is an effective means of promoting renewable energy development and technology advancement, having drawn more than 40,000 MW of proposed renewable energy projects to the California ISO queue since 2002. This amount of proposed capacity compares to peak CAISO electrical demand of just over 50,000 MW – far more than would be necessary to achieve a 33% RPS target. Raising the RPS requirement to 33% by 2020 in 2008 is necessary to continue this progress.

More important, however, is the fact that a higher RPS is essential to enable California to contend with the most significant obstacle to achieving greater reliance on renewable energy – an inadequate transmission infrastructure. The 33% RPS will provide the longer-term demand certainty that the ISO and transmission-owning utilities need to plan and build major new transmission infrastructure, which has a 5-7 year planning horizon. The 33% requirement will also deter new fossil fuel acquisitions that could be made absent a longer-term and higher RPS.

The RPS is a performance-based program that allows all renewable technologies to compete based on price, efficiency, and other factors, consistent with the principal stated in your draft report.[i] Renewables also bring a variety of co-benefits, such as air quality improvements and in-state economic benefits. There is, in fact, no downside to adopting a 33% RPS.

For these reasons, we urge you to clarify the need to establish a 33% RPS as an essential means of advancing renewable technologies in your forthcoming final report.

Respectfully,

American Lung Association

California Wind Energy Association (CalWEA)

Center for Energy Efficiency & Renewable Technologies (CEERT)

Community Environmental Council (CEC)

Environment California

Environmental Defense (ED)

Natural Resources Defense Council (NRDC)

Planning & Conservation League (PCL)

Union of Concerned Scientists (UCS)

Sierra Club

cc: Dr. Bob Epstein
Dr. Alan Lloyd

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